

AGN. NO. _____

MOTION BY SUPERVISORS KUEHL
AND SOLIS

August 11, 2015

On July 14, 2015, the County's Contractor Hearing Board submitted documentary evidence, findings and a recommendation to the Board of Supervisors to debar Apex Waste Systems, Inc. for a period of two years and Mr. Anthony Uwakwe, Apex President, for a period of three years. The Board of Supervisors deferred consideration of the Contractor Hearing Board's debarment recommendations until August 11, 2015.

Apex Waste Systems, Inc. (Apex) has provided trash removal services to 15 County departments at approximately 140 locations since October of 2009. In August of 2013, Apex began failing to provide contracted trash removal services, but submitted a Corrective Action Plan and improved its services. One year later, however, Apex began regularly failing to provide contracted trash removal services, with the Contractor Hearing Board reporting 86 missed pickups in a seven month period and the Internal Services Department (ISD) reporting 163 missed pickups. Because of Apex Waste Systems' inability to adequately address its performance issues, ISD placed Apex on the County's Contractor Alert Reporting Database in October of 2014, the Board of Supervisors terminated Apex' contract in December of 2014 and ISD initiated

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debarment proceedings the same month.

The Contractor Hearing Board, chaired by the Chief Executive Officer, considered evidence and arguments by ISD and Apex on February 11, 2015. On May 5, 2015, the CHB considered additional evidence and arguments by ISD and Apex and subsequently recommended a two-year debarment for Apex and a three-year debarment for Mr. Uwakwe, Apex' President.

Since the date of the second Contractor Hearing Board discussion, however, the Internal Services Department has received additional information that warrants reconsideration, including evidence that Apex Waste Systems has defaulted on its property tax obligations to the County. Under the provisions of County Code Chapter 2.206, the County may impose contract termination or contractor debarment for such a default. ISD has further discovered that on June 5, 2015, the City of Los Angeles revoked Apex' solid waste hauling permit for failure to pay solid waste fees in excess of \$250,000. Without a waste hauling permit, Apex' trash trucks cannot use City of Los Angeles streets to access County facilities located in the City of Los Angeles. Based on these considerations, the Director of Internal Services recommends that the Board of Supervisors direct the Contractor Hearing Board to reconvene.

WE, THEREFORE MOVE that the Board of Supervisors direct the Contractor Hearing Board to reconvene in the matter of Apex Waste Systems, Inc. to consider new information received by the Internal Services Department and return to the Board with a recommendation based on any new documentary evidence and testimony as well as the evidence and testimony previously presented by both parties to the Contractor Hearing Board.